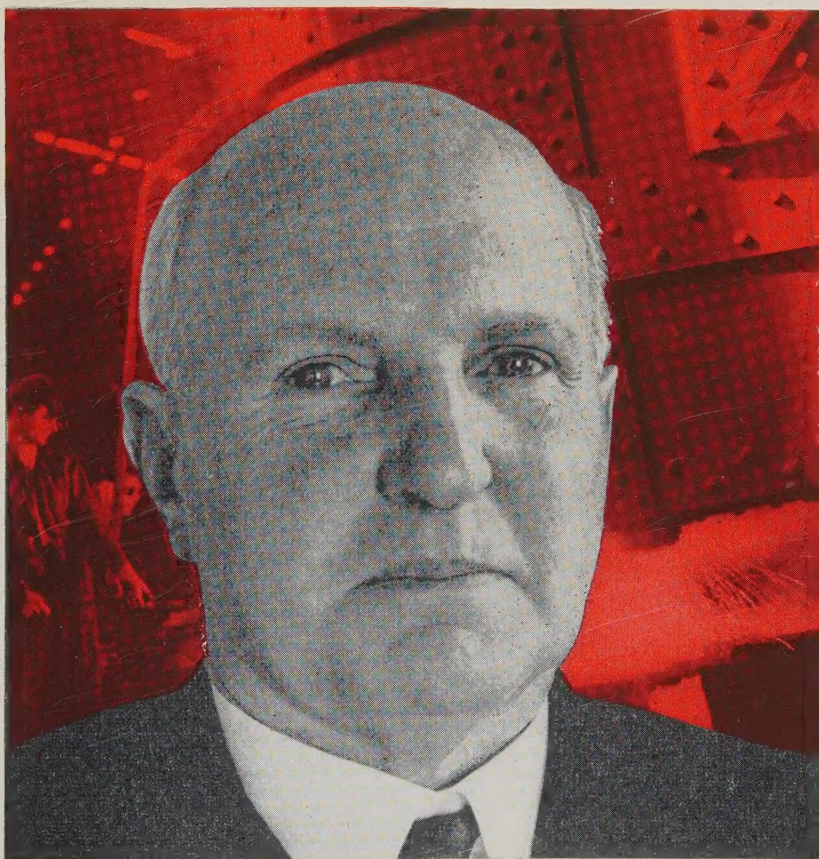


FACT

THE LABOUR PARTY MONTHLY



Steven Hardie: Keeping Steel out of Politics (p. 36)

MARCH 1951

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FACT

THE LABOUR PARTY MONTHLY

VOL. 9
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The things they say

QUOTES

I hear dem angel voices. In a recent issue *Pravda* mentioned Stalin 101 times on its front page. 'Josif Vissarionovich Stalin' was repeated 35 times, 'Comrade Stalin' 33 times, 'Great Leader' ten times, 'Dear and Beloved Stalin' seven times and 'Great Stalin' six times. Other variations were: 'Stalin the Genius,' 'Great Leader of entire mankind,' 'Great chief of all workers,' 'Protagonist of our victories,' 'Great Fighter for Peace,' 'Stalin the hope of fighters for peace,' and 'Faithful Fighter for the Cause of Peace.' *Daily Herald*, February 6.

Sound and Fury. It was in New York's Grand Central Railway station that a notable battle was fought and won. Loud-

speakers were installed to pour out continuous programmes, sponsored by advertisers; and for once the long suffering American citizen rebelled, and the horrible thing was stopped.

This ought to be the start of a world-wide movement to

denounce, forbid, and if necessary violently destroy, all machines and instruments that assault our ears.

Noise is the rule now in our world, and silence the exception. This should be reversed. No man should be allowed to batter away at our eardrums unless he can prove that it is urgently necessary. Any candidate who uses loud-speaker

vans should lose all our votes. Perhaps we ought to be allowed to shoot through the window at any radio set that is turned on at full strength.

Down with the noise makers! J. B. PRIESTLEY in the *Daily Herald*, February 1. (Drawing by courtesy of *Daily Herald*.)

L'état c'est moi. They are the nation! BRIGADIER THORP, MP (Berwick-upon-Tweed), referring to steel shareholders in the nationalisation debate on February 7.

Mass meeting. London Housewives Association recently decided to hold a protest meeting about the poor quality of coal and coke. Ten thousand housewives in the Paddington area were circularised and asked to come along. Only nine women and two men arrived. But the newshawks of the Press turned up in strength—17 of them. The lady who organised the meeting felt a little put out. 'I want the Press to vote as well,' she said. The Press, however, decided to disenfranchise themselves. *Coal*, February 1951.

Best Ever. We have never had a better Minister of Agriculture than Tom Williams. Mr. TOM COOK, President of Wiltshire Farmers, January 21.

Tough. Tenderloin steak is 17s. 9d. a pound in Washington now at the present rate of exchange. Stewing beef is 8s. 6d. a pound, bread is 1s. 2d. to 2s. 2d. a loaf, milk is 1s. 9d. a quart. No tram ride can be taken for less than a shilling. ROBERT WATTHMAN, in the *News Chronicle*, January 19.

No Laughing Matter. What had I got to laugh at? Tomatoes at 4s. 8d. a pound? Or even 3s. 11d.? A few weeks ago they'd been 1s. 9½d. a pound. What had happened? ... Eggs, recently down to 3s. 6d. a dozen have gone up to between 4s. 11d. and 6s. 1d. Steak, not long ago round the 7s. mark, sells today at 10s. a pound, and I have heard of it

costing 12s. 6d. Veal chops went up in one week 4½d. to 9s. 8d. a pound, and calves liver has leapt right into the luxury bracket at 12s. 1d. a pound. KAY MURRAY, reporting from New York in the *Daily Graphic*, January 22, 1951.

US Taxation. People in the lowest income bracket will suffer from a 20 per cent increase in their income tax, while the highest bracket—the few hundred who have incomes of over a million dollars a year—will feel an extra 3½ per cent twinge. ALISTAIR COOKE in the *Manchester Guardian*, February 7.

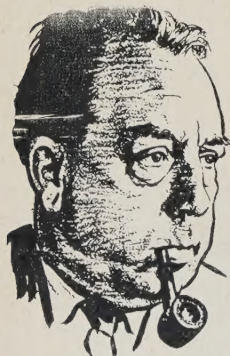
Too Bad. Full employment is bound to end in catastrophe. Any working man can get another job if he decides to leave his old one. SIR GRAHAM CUNNINGHAM, speaking to Putney Young Conservatives, February 1951.

War Criminals. It is the general intention of his Majesty's Government that all war criminals for whose detention they are responsible shall serve their sentences, account being taken of normal remissions for good conduct. ERNEST DAVIES, Foreign Affairs Under-Secretary, February 7. (War criminals recently released were in American Zone.)

LETTERS

Too old at forty? Sir: I read in the Brighton *Evening Argus* a letter from a reader in which he stated that it was virtually impossible for a man over forty to obtain a post in this country today, whatever his qualifications, without influence. From bitter experience I entirely agree. To continually prate of 'full employment' is a farce and mockery where the over forties are concerned.

The people who are responsible for



engaging others are usually between the ages of 45 and 65. Those are the people who can alter this state of affairs. But they don't.

If a man is too old at 40 or 50 for an ordinary routine job, what are Mr. Attlee and Mr. Bevin doing in two of the country's most important jobs? What are the Tories doing, clamouring for the return of Mr. Churchill, in his middle seventies?

My vote goes to any party who will deal with this problem—even the communists. Please do not think there is anything personal in this letter.

BERNARD TUMMAN,
Storrington, Sussex.

(Mr. Tumman is right when he says solution lies with those who engage staff. George Isaacs, then Minister of Labour, said in February last year: 'Employers who say they won't take a man over 45 are fools,' adding, however, that the Government has no power to compel them. But the difficulty should not be exaggerated. There are 9½ million men over 40 in Britain, of whom only 116,000 or one in 80 were registered unemployed at the end of 1950; and 32,000 of those had been out less than four weeks. Over half the total had been out less than three months.—Editor.)

Insurance payments. Sir: Your breakdown of the national insurance contribution (FACT, January), comparing the employed and self-employed rates, did not give sums attributable to unemployment and industrial injuries. I know self-employed make no contribution for these items as they are not insured against them, but it would be interesting to know how much the employed man pays.

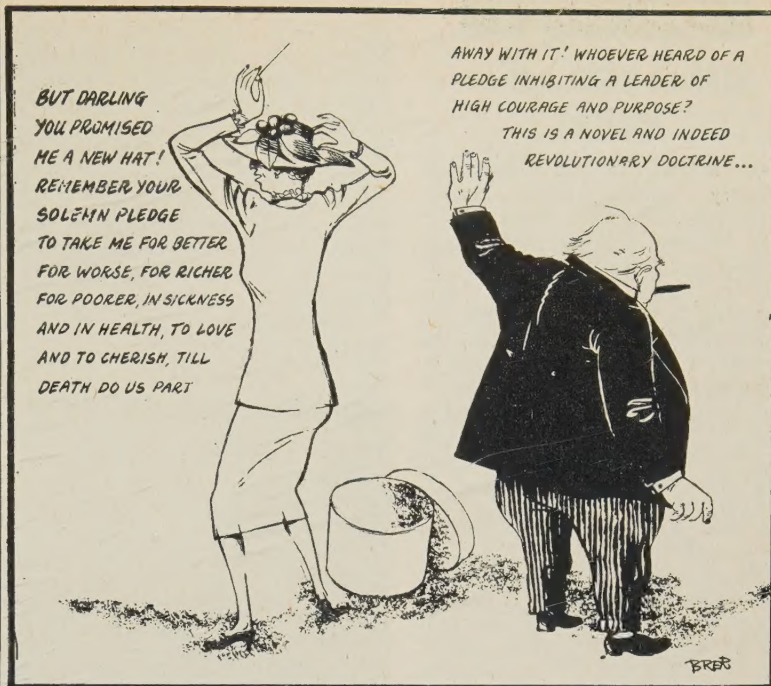
M. COLLIER,
Rickmansworth, Hertfordshire.

(Unemployment 1s. 9.3d. per week; industrial injuries 8.0d., making the total 9s. 1.0d. as given in FACT. Employer pays 4s. 2d. of this.—Editor.)

Eternal Criticism. Sir: At our meetings we have FACT on sale. I shall think twice before I buy it again. The cartoon about Stalin keeping his feet dry (January) is side-tracking the good we have done. It is about time the eternal criticism or hate came to an end. It will not help things. If they are after the same ideal as us, isn't it time we left them alone?

HOUSEWIFE.

(Socialism, so-called, with dictatorship, secret police and slave labour camps is not the same ideal as socialism with parliamentary government, freedom of opposition and habeus corpus. Moderate as Housewife's letter is, she could not safely address a similar complaint to the Soviet if she were a Russian housewife. We agree about the eternal criticism and hate and try to avoid it in FACT. If Housewife will send us her name and address, we will reply more fully by letter.—Editor.)



A LAW UNTO HIMSELF

GREAT MEN, WE ARE TOLD, ARE A LAW UNTO THEMSELVES. THIS IS certainly true of Mr. Winston Churchill. In the Steel Debate he argued that the Government had no right to consummate the Steel Act, even though public ownership of Steel had been in the Labour Party's programme for 33 years and in 8 General Elections. 'I do not admit as a democratic constitutional doctrine,' declared Mr. Churchill, 'that anything that is stuck into a party manifesto becomes a mandated right if the electors vote for the party which drew up the manifesto.'

Note that this is not just a claim that victorious political parties need not keep their promises if they don't want to; it is an assertion that they have no right to keep them if they do want to. If Mr. Churchill had meant that the right lies with Parliament, his position would be invulnerable; but his contention was precisely that Mr. Attlee had no right to use a parliamentary majority to implement the Act, itself the outcome of an earlier parliamentary majority. Who, then, decides whether a Government has a right to go through with its programme? Evidently something or somebody above Parliament. It looks as if Mr. Churchill has decided he will perform this task himself.

It may be true that some persons who voted Labour were not impelled by a desire to see steel nationalised. But they knew that one important result of a Labour victory would be that this would happen. They weighed the rival programmes and found that they liked the Labour programme, which included State steel, better than the Conservative programme, which included the repeal of the Steel Act.

Mr. Churchill's argument only makes sense on the assumption that British citizens vote with their eyes closed. 'Why not shove a dozen more items in?' he asked sarcastically. The answer is that if the public did not like the items you would lose the election. If you tried to soft-pedal them, it would be up to your opponents to loud-pedal them. The Churchill foot is no stranger to the loud pedal.

KEEPING STEEL OUT OF POLITICS

On February 15 the British steel industry passed from private hands into the control of the people. The bitterest political battle most Britons can remember terminated in the last angry stand of the Conservatives a week earlier, when the Government repulsed a motion of censure by 10 votes. The bitterness of the contest reflected the magnitude of the issues involved; for though the man in the street appeared to be unconcerned, the politicians knew that they were fighting for the citadel of Britain's economy. Coal, Transport, the Bank of England and Steel make up its cornerstones.

In a dramatic moment after the vote was announced, Winston Churchill appeared to threaten that the fight would continue by other means. 'As Mr. Churchill rose to leave the chamber,' reported THE TIMES, 'cheers and counter-cheers fell about his ears, and he paused to shout something to the benches opposite.' Other newspapers reported that what Mr. Churchill, his voice rising above the din, exclaimed was, 'This is only the beginning!'

Backstage Battle. Long before the final debate, Britain's steelmasters had been striving backstage to make implementation of the Act impossible, denouncing as quislings any persons who might accept appointment with the public Corporation. In July the British Iron and Steel Federation declared themselves 'unable to meet the Minister's request for a list of names from which to choose some of the members of the Corporation.'

On September 15, a fortnight before the Act required the Corporation to be formed, the DAILY TELEGRAPH reported J. B. Thomas, managing director of one of Sheffield's biggest steel companies, as saying: 'There was a gentleman's agreement among the heads of firms not only in Sheffield but throughout the whole of the industry. It was agreed that if approached by the Government to serve nothing would be done before the matter had been discussed by the Iron and Steel Federation. Not a single person up to a week ago had agreed to serve on the Corporation so far as we know.'

When the Government announced

the names of the seven members of the Corporation, however, it was found that three had previous experience of the steel industry and all were men with knowledge of large-scale administration. The three steel men were the Deputy Chairman Sir John Green, 58, a director of Thomas Firth and John Brown Limited, Mr. J. W. Garton, 54, chairman of Brown Bayley's Steel Works Limited and managing director of the Hoffmann Manufacturing Company Limited, and Bill Stokes, 55, of the Amalgamated Engineering Union.

Combined salaries of the seven men



CHURCHILL
A dramatic moment

is £28,500 a year, much less than they would obtain from private industry (Imperial Chemical Industries Limited pays its directors £300,000 a year) and about £20,000 a year less than the Coal Board.

The Chairman of the Corporation was announced as Steven Hardie, 64, chairman of the British Oxygen Company, said to be a Socialist. 'I have accepted the Government's invitation with some reluctance,' Hardie told the Press after his appointment, 'as it entails the breaking of my lifelong connection with the organisations I have been controlling.'

He added: 'I have agreed to do so because of the overriding importance of this industry, whose products are so vital to Britain in peace and in war. In peace it is a key industry for maintaining the full employment of our people and ensuring the development and prosperity of our economy. In war, it is the foundation on which we have to build the arms necessary

for our defence . . . I have no desire to enter politics.'

'Then why does he do it?' retorted the FINANCIAL TIMES.

Constitutionally, membership of a public corporation is not a political job. Like civil servants, members are answerable to the Government of the day whatever Party is in power. They do not resign with a change of Government.

Most members of public corporations created since the war are not known Socialists. So intense is the battle for steel, however, that members of the Steel Board may expect to come under attack from the Right, whose political leaders have already denounced them as traitors. In the censure debate on February 7 Winston Churchill threatened Hardie with the constant vigilance of the Tories:

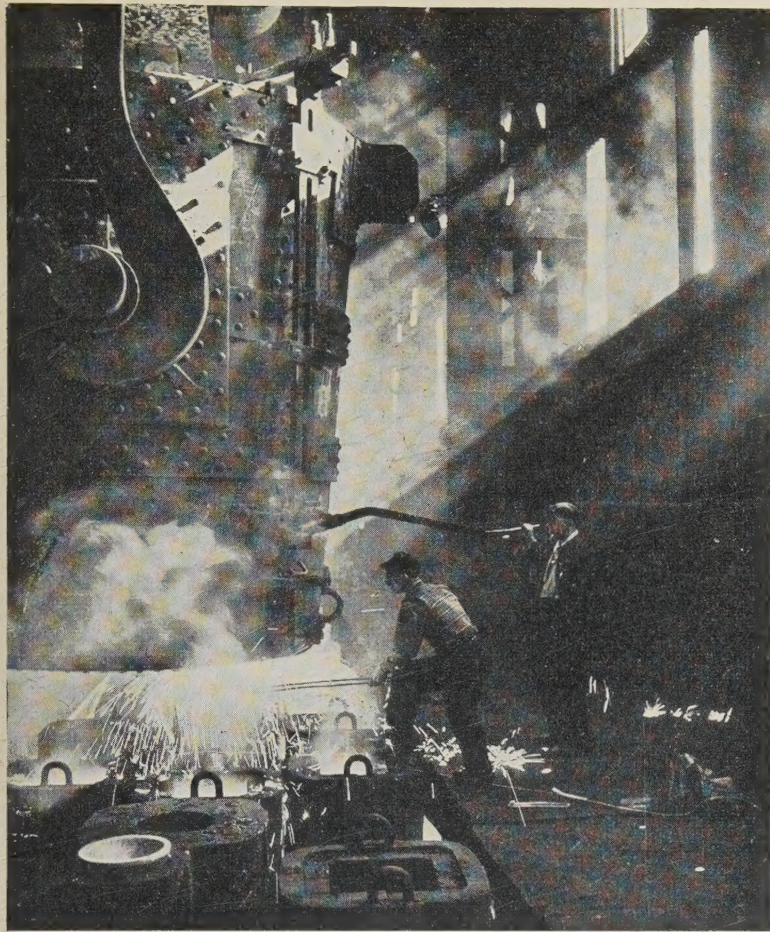
'His arrogant behaviour as a servant and tool of the Government,' said Winnie, 'will certainly be the subject of continuous attention.'

Laying the Foundations. Meanwhile, Hardie was quietly laying the foundations of the new organisation, from a small office at the top of Shell Mex House overlooking the river Thames.

National ownership of steel differs from that of other industries in one important respect. Whereas constituent parts of other industries were merged into one national board or a small number of regional boards, the separate steel firms retain their identities and their names. A managing body appointed by the Government takes the place of the shareholders' board of directors in each case. The National Steel Board will co-ordinate the activities of the whole, performing for the State enterprises the rôle occupied in the past by the British Iron and Steel Federation, whose 1,000 staff directed the policies of private steel from opulent Steel House, two minutes walk from Parliament Square.

Naturally State steel would like to take over this ready-made organisation, whose private existence has been made largely superfluous by the Act.

Although the Government is taking over only 92 firms out of some 500 in the steel industry, the acquired interests cover most of Britain's iron and steel production. Of 33 members of the Federation's executive, 30 are members of companies passing into public ownership. The Federation has organised the industry in 11 sections, each with a central committee: State steel, through its nationalised firms, has a majority on nine of them. It



INSIDE THE CITADEL
Behind the lines a battle was raging

has 100 per cent control of the pig iron committee, 99·8 per cent control of the steel producers' committee and over 90 per cent control of four others. The two on which private firms remain in a majority are the crucible and high-speed steel committee and the bolt, nut, screw and rivet committee.

A few weeks before vesting day Hardie began negotiations for the co-operation of Steel House with his fellow Scot Sir Andrew Duncan, head of the Federation and one of Britain's biggest private steel bosses. 'The negotiations opened in a sultry atmosphere,' reported the SUNDAY OBSERVER. Hardie's immediate object was to get a nominee of the public corporation on every one of the many committees through which the Federation worked. Duncan aimed at delaying a decision until, he hoped, the Government was defeated or a General Election intervened. This

was a risky policy, as it was known that Hardie, who has the reputation of being a fighter, was likely to go ahead without the Federation if the Federation counted itself out. Unless the hoped-for Government defeat came, that could only result in the break-up of Steel House.

'What will happen on February 15 is not a mere paper transaction,' said the OBSERVER. 'The Government's intention was to transfer power from private to public hands, and unless the Act is repealed nothing anybody can do will alter that revolutionary fact.'

Agreement. A few days before the censure debate it was reported that the Federation, while maintaining its refusal to nominate members of the Corporation, was prepared to serve on a joint committee of some sort; and in the course of the debate the Minister of Supply, George Strauss, outlined a plan for sharing the facilities

of Steel House, which, though it was still being discussed in detail, he presumably expected to be adopted.

There is to be an interim period of not more than three months in which Steel House continues to co-ordinate the activities of the industry. During this time the Corporation will have representatives on the Federation's committees, including its executive, and the technical staff of Steel House will provide a joint service to the Federation and to the Corporation. Meanwhile, a permanent organisation will be set up.

The Government proposes that Steel House should remain headquarters, the two major committees on which private industry retains a majority reporting to the Federation and the nine dominated by State industry reporting to the Corporation.

Referring to the Iron and Steel Federation's efforts to sabotage the Act, Strauss said: 'I have reason to believe that this attitude is now regretted by most responsible people in the industry. If the Government had bowed to the threat and not proceeded with the Bill,' he argued, 'then a parliamentary decision would have been successfully thwarted by outside interests.'

State Manufactures. Steelmasters still hope that a Labour defeat may yet save them before the industry has been irrevocably transformed. The one item in the Conservative Party's programme that everybody knows would certainly be carried out if Winston Churchill returned to Downing Street is the repeal of the Steel Act; and the peculiar organisation of State steel, preserving the identity of the individual companies, might make it easier to unscramble the egg than in the case of coal or transport.

Labour persevered with this arrangement for three reasons:

One, no government could govern on the assumption that its acts were going to be repealed by a subsequent administration.

Two, in the present pioneer period of British socialism there was a desire to try out various forms of public ownership. Administration of coal, gas, electricity, transport and now steel are all different in several important respects.

Three, the steel industry is not as self-contained as the other nationalised industries. Many firms not only make steel; they manufacture steel products. Dorman Long, for example, are structural engineers, who built the

Sydney harbour bridge. United Steel make umbrella frames. It would be impossible to detach these ancillary activities from the steel-making companies. The Government decided therefore to take over, complete, all firms producing more than 20,000 tons of steel a year, together with any other interests they might have. State steel thus becomes not only the nation's producer of iron and steel but a manufacturer of finished articles on a big scale.

The Socialist Case. The Socialists' case for taking over steel is, broadly, that the nation's resources must be at the disposal of the community if the economy is to be planned in the public interest, and that this entails the actual transfer to public hands of basic industries. They argue that in an unplanned economy raw materials, factories, transport and labour are often idle in spite of the contention that the quest for profits and wages must automatically bring them together.

Steel, like coal and transport, serves every other industry. It is the principal raw material of the engineering industries and it is an essential factor in the equipment of other enterprises. Toothbrushes are not made of steel, but toothbrush machines are. For this reason, coal and steel are the industries on which the heaviest demands are made in years of expansion and the heaviest blows fall in years of depression. British steel production between the wars fluctuated between 3.7 million tons a year and 13 million tons, causing the steelmasters to band themselves together in order to restrict capacity and dictate prices. Lord Nuffield, a big steel user, described the Iron and Steel Federation in 1937 as *'a ramp, an absolute ramp, large cigars and nothing to do!'*

BRITAIN'S DEFENCES

Veterans Recalled. Mixed feelings, with anger and resolution uppermost, greeted Mr. Attlee's broadcast speech of January 29, when he announced that 255,000 reservists are to be called in this year. But the anger was not directed against the Prime Minister, whose efforts for peace the nation recognized. Of the reservists, 235,000 are for the Army, most of them Class Z men who joined up between 1939 and 1948. A large proportion are World War veterans.

They will be recalled for 15 days in May or June. In most cases they will join at their old ranks and appropriate

pay. In addition, they are to receive a £4 bounty.

The Air Force is to recall 13,500 for varying periods: 10,000 for 15 days; 2,300 Royal Auxiliary Air Force for three months; 1,000 regular and volunteer Air-Crew reservists for three months; and 200 reservists for special duties up to 18 months.

The Navy is recalling 600 officers and 6,000 ratings, for 18 months.

The Cost. Britain's defence expenditure is to be stepped up from £850 million this year to £1,300 million next, an increase of £450 million. At the same time, the Chancellor of the Exchequer has estimated that increased prices of imported raw materials may cost Britain another £400 million. As, last year, industrial output rose by about 9 per cent or roughly £1,000 million, Britain could approximately pay for rearmament out of increased production if last year's achievement was repeated. But that is not expected. There is likely to be a temporary slowing down of the output rate as production lines are reorganised for munitions making. And, though Britain's capacity to produce may expand, shortages of raw materials in a world clamouring for higher and higher outputs may prevent some factories working full out.

Even if production rises, the danger of inflation will return as more and more workers receive their wages for production of articles that do not pass into the shops. 'There will have to be financial measures,' said Mr. Attlee, 'to check civilian demand.'

The £1,300 million is for the year 1951-2 beginning on April 1. The same expenditure is envisaged for the following year 1952-3, and the year after that the estimate rises to £2,100 millions. In the last year of the war expenditure was £5,250 millions.

'In meeting this situation,' said the Prime Minister, 'the Government has one clear aim before it—to see that we carry as much of the load as possible ourselves now and refrain from running into debt abroad or reducing the investment on which our industrial efficiency depends.'

He added that this would be difficult because the industries on which the greatest defence effort would fall, the engineering industries, also supplied our principal exports. Thus, industries such as textiles, which at first glance might not appear to be affected by the defence programme, will have to redouble their efforts to expand the export trade.

INTERNATIONAL

NAMING THE AGGRESSOR

China Branded. After considerable amendment by the Political Committee, the United States resolution condemning Communist China (FACT, February) was passed by the United Nations Assembly on February 1. Forty-four nations, including Britain, voted for the resolution, seven opposed and nine abstained. The opponents were the Soviet Union and her four East European satellites, plus India and Burma; the abstainers were Egypt, Indonesia, Pakistan, Sweden, Yugoslavia, Afghanistan, Syria, Saudi Arabia and Yemen. Most of these belonged to the Arab-Asian group which had previously moved a resolution calling for an immediate seven-power conference without naming any aggressor: this was conclusively defeated.

The resolution (a) found that China 'by giving direct aid and assistance to those who were already committing aggression in Korea and by engaging in hostilities against United Nations forces there has itself engaged in aggression in Korea'; (b) called on the People's Government to cease hostilities against the UN and to withdraw their forces from Korea; (c) affirmed that the United Nations' aim was still to reach a peaceful settlement in Korea, and requested the President of the Assembly to nominate two others to form with him a Good Offices Committee to this end; and, (d) requested the Collective Measures Committee to consider additional measures to combat this aggression on the understanding that no action should be taken if the Good Offices Committee reported satisfactory progress.

Britain's Vote. Both Sir Gladwyn Jebb at Lake Success and Mr. Attlee in the House of Commons made statements explaining clearly why Britain had, after initial doubts, decided finally to support the United States resolution. On British insistence, the US had amended their resolution in two important respects. Instead of accusing China of 'rejecting' the Cease Fire proposals, the amended resolution stated that she had 'not accepted' these proposals; and the suggestions for considering sanctions were made contingent on the failure of the Good Offices Committee. Thus, further negotiation was given definite priority over 'special measures' and



WEST VERSUS EAST AT LAKE SUCCESS

A break in the brand-China debate. Noyes and Austin (United States), Jebb (United Kingdom), Isarapkin (Soviet Union) and Katz-Suchy (Poland)

the British Government sincerely hoped that the People's Government of China would respond. This compromise healed the dangerous Anglo-American breach (FACT, February).

Facing Facts. The British Government had worked for the subordination of the 'special measures' clause, as it thought that every possibility of negotiation should be exhausted first. But as regards the so-called 'branding' of China, it had come to the conclusion that this merely faced an ugly fact squarely and established the moral authority of the United Nations against all violations of the peace, whether large or small. It should not in itself prevent further negotiations: the Chinese Government has been consistently accusing Britain and America of being 'aggressors' in Korea, but that did not prevent either side from negotiating in the past.

The American view is that the Chinese, like the Russians, will in the last resort be influenced only by deeds and not words; that when the military situation in Korea becomes difficult for them, they will probably agree to a cease-fire. They will talk when it suits them and not before, whether labelled aggressors or not.

On February 3 Chou-en-lai, the Chinese Foreign Minister, replied that he considered the United Nations resolution an 'insult' to the Chinese people and that he would pay no attention to the efforts of the Good Offices Committee. The People's Republic of China were not represented at the discussions (having themselves withdrawn—FACT, February); therefore the whole proceedings were, he declared, 'illegal, slanderous, null and void.'

The President of the Assembly (Nazrullah Entezam of Persia) announced none the less that UN would continue its efforts at negotiation. Sir Benegal Rau declined to serve on the three-man Good Offices

Committee and Lester Pearson of Canada also decided to stand aside. Nasrollah Entezam will be joined by Sven Grafstrom of the Swedish delegation; the third place has not yet been filled.

On February 7 the Soviet Union presented a counter-resolution calling on the Security Council to take steps against American aggression against China. This was rejected by 49 votes to 5. Only the Soviet Union and her four faithful satellites could be persuaded to vote in favour, although Burma, Indonesia and Yugoslavia abstained. FACT understands that the United States have not decided to boycott all further negotiations on the ground that this resolution was an insult to the American people.

ARMS AND THE GERMAN

An Unwilling People. Having completed his survey of the Atlantic countries and summed up his impressions General Eisenhower returned to America, to make two important speeches, one to Congress on February 1, the other to the nation February 2. He announced that General Montgomery and General Juin had agreed to serve as his Deputies in SHAPE and that Europe's defence plans were being expedited. All this was expected. On German rearmament, however, he recommended a little less haste, as he did not want 'to press arms on an unwilling people.' Considerable political developments, said Ike, would have to precede the formation of a German army. In the House of Commons on February 7, Britain's Under Secretary for Foreign Affairs, Ernest Davies, said that the present discussions on German rearmament were purely exploratory and that no irrevocable decisions had been taken. The Brussels meeting merely decided in principle that Germany should be associated in the defence of the West.

All reports from Germany suggest that the majority of Germans are strongly opposed to rearmament under the present circumstances.

A Four-Power Meeting? Meanwhile, attempts to call together the four occupying Powers, for the first time since the Council of Foreign Ministers broke up in June 1949, continued. Russia broke the ice on November 3 1950 by suggesting a Four-Power Conference on German demilitarisation. The three Western Powers replied with a joint Note on December 22, agreeing but suggesting a broader agenda in order to cover 'the causes of international tension throughout the world.'

On December 31 Russia responded that she was willing to discuss other questions concerning Germany, but not mentioning any wider issues. On January 23 the Western Powers asked for further clarification. Would Russia agree to discuss not only German problems but also 'all problems likely to threaten world peace'?

Russia's latest Note, which was published on February 6, agreed to include items other than Germany providing they fell within the competence of the Council of Foreign Ministers as constituted in the Potsdam Declaration. By insisting on a formal Council of Foreign Ministers Meeting, Russia would seem to be trying to limit discussions to questions relating to the German and Austrian Peace Treaties. The Note accused the Western Powers of restoring the German Army and starting an arms race, but it agreed to a preliminary meeting of the Foreign Ministers' Deputies in Paris to draw up the agenda, though not to discuss the substance of questions for the agenda. This is a distinct step forward.

NON-COMINFORMISTS

A Chink in the Curtain. Events in South-East Europe in recent weeks must have given the Russian Politburo a lot to think about. In spite of vastly increased armies in all the Cominform satellites, Tito continues to shout defiance at all threats and intimidations. He is waging extremely effective political warfare by Press and radio.

Accusing Moscow of betraying the Communist revolution by trying to turn every other country into a vassal, the Yugoslavs declare that Russia has become a reactionary force in the world and the chief threat to peace. Tito demands that every country shall

turn to page 43

THE ROAST BEEF OF OLD

IN THE MIDST OF THEIR understandable lamentations over the eightpenny piece of meat, housewives may be surprised to learn that in 1949 (the last year for which complete figures are at present available) out of every 100 pounds of meat shipped anywhere in the world 83 pounds came to these islands. There is no reason to suppose that the figure for 1950 was very different. As about half of our meat ration is home produced, it can be simply calculated that if every ounce of meat shipped from every part of the world had come to this country our meat ration would have gone up by one-tenth, or slightly less than one pennyworth in every shilling's worth.

Although that was before the tussle with President Peron's meat men had reduced the ration to its present abnormal dimensions, the figures give some idea of (a) the extraordinary proportion of the world's meat that has been coming to these islands; and, (b) the immense market for meat which Britain offers to meat exporting nations.

Fundamentally, Britain's present difficulties are part of a changed world. In the past, because there were few industrialised countries, the densely-populated manufacturing nation could exchange its goods at bargain prices. Today the food-producing countries are coming into their own.

Among other things, they are eating their own food, instead of being obliged to ship it to wealthier nations. The average Argentinian ate 24 pounds more meat in 1949 than in 1939, though meat production per head of the population was lower than before the war. Total output went up, to be sure, but the population had outstripped it.

The roast beef of old England ceased to be the roast beef of England long ago. It became the roast beef of Argentina. Before the war Britain produced 1,250 thousand tons of meat and imported 1,500 thousand tons a year. We produced 600 thousand tons of beef and imported 650 thousand tons, over 400 thousand of them from Argentina. So we depend for our Sunday dinners on President Peron's

estancieros. No other cattle ranchers as yet can supply beef in the required quantities.

At the same time, the *estancieros* depend on Britain for a major part of their income. As the Argentine economy, in turn, depends on the *estancieros*, the two governments have the best of reasons to resolve their difficulties.

The Dispute

Meat shipments to the United Kingdom from the Argentine ceased last July, when the first year of the five-year Anglo-Argentine Trade and Payments Agreement of 1949 expired. Under this agreement prices had been fixed for the first year at £97 10s. a ton.

During the year sterling was devalued and the Argentine asked for £140 a ton, not only for future shipments but for all shipments back to the previous January. Britain at first offered £90 a ton on the ground that world food prices were falling, as they undoubtedly were when the negotiations began. Then came the Korean war and food prices recovered. Britain accordingly proposed that for 100 days the previous price of £97 10s. should be provisionally invoiced, while negotiations proceeded.

It seems that Peron's men, whose £140 bid had been an obvious bluff at the time it was made, were on the point of accepting this offer. An announcement that the two governments had reached agreement was actually prepared. But it never appeared. At the last minute the South Americans decided to gamble on war, or at least the threat of war, inflating world prices: 'On second thoughts about the menacing world situation and the probable rise of international food prices,' said THE TIMES Buenos Aires Correspondent, 'they changed their minds and informed the British Government that they would accept the provisional price for only 30 days.' This hustle would have placed Britain's negotiators, anxious to save the meat ration, at a perilous disadvantage. Maurice Webb called them off.

When negotiations were resumed in December, Britain went up to £104 a ton, an increase of about 1s. 4d. in the

£ on the previous price. Argentina came down to £120 a ton, an increase of about 4s. 8d. in the £ on the previous price, payable right back to January of last year. There the two countries stuck. And the fresh meat ration came down to eightpence a week.

The suspension of meat shipments last July did not cause immediate distress partly because Britain's home production, which becomes available in the autumn, was much higher than the previous year, partly because the Argentine had exported abnormally large quantities in the first six months. Severe drought during the Argentine summer (our winter) caused ranchers to trade their cattle early lest it die of hunger and thirst.

A shortage of Argentine meat would therefore have been felt by now in any event. In fact, before shipments stopped, the Argentine Government had already announced that it would be unable to maintain meat exports at more than one-third the normal monthly quantity.

Another factor in the situation is that Argentina refused (or at any rate failed) to carry out the other clauses of the trade agreement, which provided for the purchase of British manufactures and for the transfer to the United Kingdom of 'invisible' British earnings. These earnings include shareholders' dividends and the pensions of retired British staff of the Argentine railways, which were previously British-owned. Peron's men thus demanded more for their meat, while reducing Britain's capacity to pay for it: and broke their word into the bargain.

This is nothing new. It will be remembered that the Argentine defaulted on the previous agreement (the much debated Andes Agreement) also. Of 400,000 tons of meat to be delivered in the 12 months ending February 1949, only 292,000 materialised (FACT, April 1949).

Bulk Purchase

The eightpenny ration revived the bulk purchase controversy, which it was thought had been effectively buried in the parliamentary debate of May 1949. At that time the opponents of Government trading argued that it

ENGLAND

had been useful, even necessary, in a seller's market after the war, when supplies were short and prices were rising, but that it should be abandoned forthwith as a period of falling prices was about to set in (FACT, June 1949). The present line of reasoning is the exactly opposite one that in a period of rising prices the Government as sole purchaser is impotent to bargain in the way private traders could bargain.

To make a god of Competition and praise it on every occasion is like invoking the lightning without enquiring who is going to be struck. It is like believing as an article of faith that if you toss a coin it will come down heads every time. If Argentine traders were competing with each other to sell a surfeit of meat, beefsteaks would certainly be cheaper, whoever is the buyer; but they are not competing and there is no surfeit. On the other hand, if British traders were competing with each other and with traders of other countries to buy more meat than is for sale in the whole world, beefsteaks would certainly be dearer; and probably scarcer, too, as it is difficult to believe that they could improve on the 83 per cent of the worlds' supplies obtained by the British Government buyers. Only their profits would expand.

The most curious argument advanced by opponents of Government buying is that if Britain stopped bulk purchase Argentina would stop bulk selling. This suggests that President Peron is dying to revive a trading system which, according to the same dialecticians, would reduce the price he gets for his beef. President Peron is not that kind of man.

The contention that competing for a market somehow puts the competitors in a more advantageous position is in any case a curious one in a world where private traders of every sort are busy banding themselves into cartels precisely for the purpose of strengthening their bargaining powers. British meat importers joined forces before the war to procure Argentine beef, thereby anticipating the wisdom, now called folly, of the Labour Government. A Joint Com-

ARGENTINA 5 LB 2 OZ



AUSTRALIA 4 LB 11 OZ



UNITED STATES 3 LB



BRITAIN 1 LB 15 OZ



BELGIUM 1 LB 3 OZ



YUGOSLAVIA 11½ OZ.



ITALY 10½ OZ



INDIA 1½ OZ



MEAT PER PERSON PER WEEK 1949

Including children. 1950 figures not available but Britain's rations were bigger. Each symbol represents half a pound.

1939    4.4 MILLION

1945  2.15 M

1950   3.00 M

POULTRY

1939 .. 74,400,000

1945 .. 62,100,000

1950 .. 96,000,000

1939      8.9 M

1945      9.6 M

1950       10.6 M

1939         26.9 M

1945         20.1 M

1950         20.4 M

BRITAIN'S LIVESTOCK POPULATION IN JUNE EACH YEAR

EACH SYMBOL EQUALS TWO MILLION

mittee of Enquiry reported in 1938:

'The great bulk of the Anglo-Argentine trade, in recent years 85 per cent of the total, is in the hands of six Companies, each of which represents essentially the same financial interests as the exporting concern whose products it handles. . . . These six Companies in their capacity as importers co-operate under the auspices of a conference known as the South American Meat Importers Freight Committee.'

The *ECONOMIST* remarked of this body on October 22 1938: 'They have taken advantage of the Argentine producers' poor competitive position without passing on to the British consumer *any* (FACT's italics) of the reduction in price thus exacted.'

The ideal, the dreamed-of goal, the striven-after objective, of all private traders, is bulk buying if they are merchants, bulk selling if they are producers; so true is this that governments in every country where private enterprise flourishes are at their wits' ends to protect their people from the power of monopoly. As private enterprise is reputed to know what is best for itself, we may take it as demonstrated that a buying monopoly is a good thing for the buyer, provided he knows his business.

'Ah, but do the Ministry's meat buyers know their business?' cries the opponent of State trading, now in the last ditch. They ought to know their business, most of them having been recruited from the trade. Oliver Lyttelton, who is a London businessman from spats to bowler hat, said in the 1949 bulk purchase debate: 'I should not like the House to think that I am saying that the civil servants, or the experts who give their services to these Ministries, are either incompetent or ignorant of their job. In many cases they are among the most skilled in the business.'

Yet there remains the fact that we are not at the moment getting Peron's meat, which undoubtedly exists and for which he can find no other sizeable market.

If any generalisations are to be drawn from the present dispute they should not be about bulk purchase but about the difficulties of a democratic country, which seeks reasonable arrangements with other countries, negotiating with a dictatorship. The essence of Webb's case is that when you are dealing with President Peron you have to try to be as tough as the President's special position enables him to be; that it is better to go short of meat for a month

or two rather than to submit to an autocrat who will thereby be encouraged to apply pressure on future occasions; in short, that the meat skirmish should be seen as but one encounter in a battle to hold the cost of living. And it must be admitted that when Webb first showed the flag every political party and every newspaper in the country raised a cheer. 'To be fair to Mr. Webb,' editorialised the *NEWS CHRONICLE* on February 9, the day after he had resisted a vote of censure in which 298 Conservatives and Liberals had voted against him, 'he has been encouraged by the country and many newspapers, of which this is one, to hold out against the Argentine.'



PERON AND WIFE
Not that sort of man

He held out. They applauded. The meat ration fell to eightpence a week. They rammed it down his throat.

In the debate they said he should have paid higher prices. If he had done so, would they have applauded, or would they have tabled a different vote of censure, castigating his surrender?

Heads, he hangs. Tails, he gets shot.

Must We Depend on Peron?

The question one naturally asks is why do we depend on Argentine beef? The answer is that importers preferred to buy from the Argentine before the war because they often had big financial investments in the Argentine meat business, and also because it was easier to ship beef from South America than from Australia, the Commonwealth's chief beef exporter. Beef on the shorter voyage need only

be chilled, retaining more of its flavour than frozen meat.

Guaranteed prices and sales (in other words British Government contracts) are stimulating beef expansion in Australia but the process takes time and requires the building of railways. Many cattle have to trek 1,000 miles to the slaughter-houses. None the less Britain imported 178 thousand tons of meat (beef, mutton and pork) from Australia last year, compared with 224 thousand in 1949 and 228 thousand before the war. From New Zealand we bought 366 thousand, mostly lamb, compared with 321 thousand in 1949 and 259 thousand before the war. These totals compare with 263 thousand tons from the Argentine last year and about 1,100 thousand tons produced at home. All figures include bacon and ham.

Home production was 130 thousand tons more than in 1949 and 310 thousand more than in 1948, though still slightly (150 thousand tons) below prewar. This year we expect to produce rather more beef than before the war and about three-quarters as much lamb and pig. The chart on page 41 shows how drastically Britain's livestock was reduced during the fighting.

Thanks to Government contracts, Britain obtains every ounce of meat exported from Australia and New Zealand, which between them last year sent us nearly twice as much as the Argentine, 90 per cent of all Denmark's exports and the major part of the meat exports of Holland, Poland and Ireland. All these contracts are in sterling.

Thus, Britain's meat supplies from her own fields, from Europe, Australia and New Zealand, are steadily increasing. From these sources combined, indeed, British housewives are already getting more meat than before the war. At the same time, Argentina cannot in the long run dispense with Britain's trade, which amounts for about two-thirds of all Argentina's meat exports.

At present Peron's men are trying hard to dispose of their meat, reduced in quantity by the drought, to other countries, but they are doomed to failure unless the threat of war phenomenally increases the United States' purchases. The US is the world's second biggest meat importer but still buys only one-tenth as much as Britain. The Food and Agriculture Organisation of the United Nations reported on December 29 1950:

'A larger proportion of Argentina's
turn to back cover



DJILAS
Tito's voice

BELINDA DAVIES

ERNEST DAVIES
Bevin's deputy

from page 39

be allowed to reach socialism in its own way, according to its own traditions and possibilities.

Reports from other countries suggest that he is not only becoming a symbol of national independence in Eastern Europe but is successfully reviving the European mystical brotherhood of 'The Resistance,' in which the Yugoslavs so distinguished themselves against Hitler.

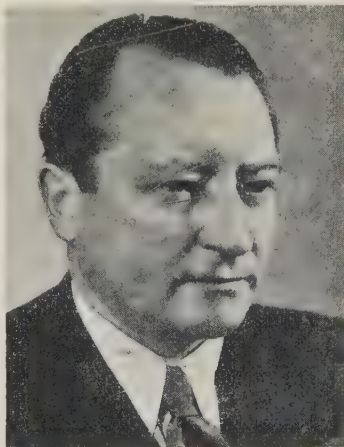
Some time ago, when Gomulka was dismissed, Titoism seemed to be getting a hold in Poland, but with the appointment of Marshal Rokossovsky as Gauleiter and Commander-in-Chief, the Russians quickly brought the Polish Communist Party back into line.

For the last few months, however, the heresy has been spreading in Czechoslovakia. Dr. Clementis was dismissed from his post as Foreign Minister last autumn for deviationist tendencies, but was allowed to keep a minor position in the Government. Now, on the eve of another purge, he and certain other Czech Communists have mysteriously disappeared. Persistent rumours state that they are making their way to Belgrade, where Lausmann, the former Czech Minister of Industry, is waiting for them. Other rumours have it that they are held by the secret police. It is thought that Russia may have to send another 'strong man,' possibly General Koniev, to Prague to keep order.

With Togliatti still seriously ill in Russia, even the Italian Communist Party, strongest fifth column in the West, is showing signs of indiscipline. Umberto Musco, secretary of the Benevento Communist Party, publicly announced his resignation in protest against the party's 'subservience to Moscow.' Two leading Communist

deputies, Magnani and Cucchi, also resigned because they believe that 'if Italy was attacked from whatever quarter, all Italians should defend their sacred soil.' It is no coincidence that both were Partisan Officers during the war, Cucchi fighting with the Allies and Magnani with Tito.

The First Rebel. The man who started the Titoist defection by writing in 1947 that British officers with the Partisans had conducted themselves better than Russian officers, is 40-year-old Milovan Djilas, now Yugoslavia's Minister in charge of propaganda. Djilas uses his position to broadcast encouragement to non-Cominformists in other parts of Europe. During his recent visit to



CLEMENTIS
Prisoner or exile ?

London (January 27-February 4), in the course of which the British Government held a reception for him at Lancaster House, Djilas predicted further defections in Cominform countries. By making Belgrade a centre for all independent Com-

munists and by forging links with all progressive movements in Europe, he said, a successful ideological counter-attack can be waged against the Cominform.

Djilas told British observers that he thinks Russia will avoid a major war, but may try limited actions, especially if the Western powers get more involved in the Far East. Yugoslavia hopes for material aid from America, but looks to Labour Britain for political understanding and psychological support. Djilas made many friends in Britain and returned assured of British support in Yugoslavia's stand against the Russian Goliath.

COMMONWEALTH

THE FIRST STEP

Appointment at Duala. West African trade unions took the first step towards establishing a regional trade union centre when they met in conference at Duala, in the French Cameroons, at the end of February. The conference was called by the International Confederation of Free Trade Unions (FACT, February) after a two months' fact-finding mission in West Africa. In addition to the British territories of Nigeria, the Gold Coast, Sierra Leone and Gambia (combined population 31 million), the delegation visited Senegal (French 2 million), the Ivory Coast (French 4 million) and Liberia (Independent, 2½ million).

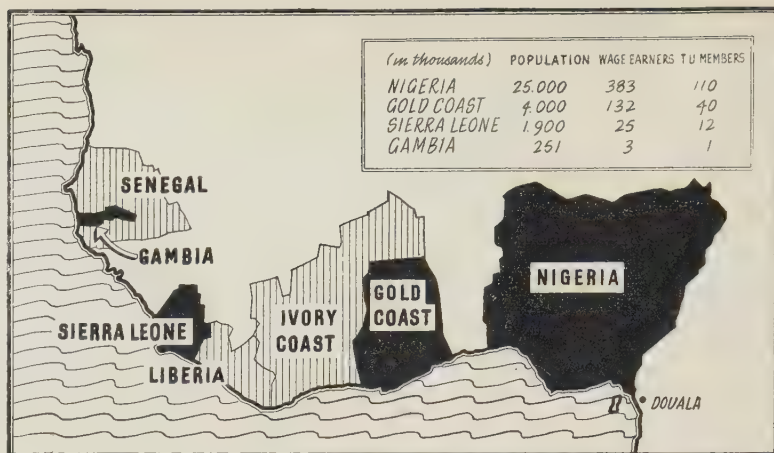
Inexperienced. Trade unionism in West Africa is a recent growth. Few of the unions existed in the thirties and many have been organised only since the war. Most of them are small and their leaders inexperienced. Methods of work and organisation often vary greatly from the principles of union activity now established in Britain. The activities of some of the unions have been bedevilled by corruption and by the political ambitions of their leaders (see 'Under the Sun,' FACT, July 1950). Advice and assistance from more experienced trade unionists could be of great value and will no doubt be welcomed by many of the unions.

Nigeria has 129 unions with a total membership around 110,000. Some of them are federated in the Nigerian Labour Congress which has loose connections with the Russian dominated WFTU but few of the members even of the constituent unions know or care much about the

Congress, far less about the WFTU. In the Gold Coast there are some 60 unions with total membership around 40,000. Only 6 have memberships of over 1,000. The Trades Union Congress of the Gold Coast, formed anew after its unhappy association recently with abortive 'direct action' campaigns of the extreme nationalists, has still to establish itself securely and its constituent unions must for some time to come be concerned mainly with building up their own organisations.

Sierra Leone has the most mature Trade Union Movement in West Africa. There are about ten unions all affiliated to the Sierra Leone Council of Labour. In the Gambia the two unions have a combined membership of around 1,000.

Important as the trade unions are in West Africa—and their importance is bound to increase as the territories advance economically—it should be realised that wage-earners form a very small part of the working population of the colonies. In the four British



department has run successful correspondence courses.

The British TUC while recognising the responsibility of the ICFTU towards trade unions in backward territories is continuing its special association, formed over the years, with trade unions in India and British dependent territories. At the Brighton Congress last year a scheme of assistance for unions in these territories was outlined and Congress voted the sum of £36,900 for the purpose (FACT, October 1950). The fund will be used to provide office equipment, books and literature and even motor cars, where the need is greatest. This direct assistance from the Trades Union Congress is intended to supplement the efforts of the International Confederation.

The £36,900 is broken down as follows: £3,000 for transport ('... in a reply already received from one colonial centre,' reported the TUC International Committee last September, 'they specially ask that the first priority should be a Land Rover Jeep'); £2,000 for office equipment; £16,900 for 'maintenance of contact' ('... there is no doubt that the most valuable form of assistance would be sending to each Colony a trade union adviser for a long enough period for him to obtain a knowledge of the conditions ... a rough estimate of the costs for a visit of average distance even for a limited period is about £650'); £5,000 for books and literature ('... the West Indies, for example, made inquiries for hundreds of copies of Webb's *History of Trade Unionism*. This may not be a suitable choice but it is evidence of the demand'); £10,000 for follow-up visits, maintenance and renewal expenses.

The Committee added: 'In the

Colonies the unions can be, and have been, used by persons who see in these industrial organisations a channel through which personal political ambitions can be furthered. The time is short for the effective development of trade unions seeking to protect the industrial interests of their members and to establish them as independent organisations determining their own policy.'

INDUSTRY

ONCE BITTEN, TWICE SHY

Trouble at the Docks. In the first half of February a number of Liverpool and Manchester dockers came out briefly on strike against the award of a 12s. a week wage increase, which they had hoped would be 25s. Efforts to spread the dispute to London, whose stevedores had been the spearhead of the nation-wide 1949 docks stoppage, met with little success. Revelations of the way in which a small Communist cell inside the Canadian Seamen's Union had exploited the militant traditions of London dockers over the *Beaverbrae* affair (FACT, January 1950) had evidently left their mark.

Death of a Union. What has happened to the Canadian Seamen's Union since the failure of its leaders to cut Britain's lifelines during those fateful months when the struggle was waged in London's dockland? It is dead. Ten years ago it had 10,000 members and a monthly income of 30,000 dollars. Today its membership is under 600.

Not a Sailor. Former Secretary-Treasurer of the Union, Gerry McManus, was not a sailor. He was a professional Communist organiser.



ORGANISED WORKERS
Only one in two hundred

territories, for example, only one in 60 of the population is a wage-worker and only one in 200 a trade union member. The vast majority of the people are peasant farmers.

Britain's Attitude. The present British Government has encouraged the development of colonial trade unions. The Labour departments of the British West African governments have on their staff trade union advisers recruited from British unions. Trade union schools have been organised in West Africa. The Nigerian Labour

When he was discharged from the Army in 1945 the Party instructed the CSU leadership, which it controlled, to give him a job. But after the 1949 rout McManus left both the Union and the Party.

Here are some of the things he said of the 1949 strike recently in a Canadian magazine:

'We were in session when Davis arrived (Harry Davis, CSU president, addressed dockers at London, Avonmouth, Southampton and Merseyside). He was jubilant. He had attended two major meetings in Europe—one a meeting of the executive members of the Communist-controlled World Federation of Trade Unions; the other a special meeting of the dock workers' faction of the British Communist Party. "We can strike the world!" Davis said exultantly. . . .

'He said he found in Britain not merely support for a strike,' continued McManus, 'but an urgent demand for a strike. Ever since the Labour Party had come to power in Britain, Davis reminded us, British labour had lacked "militant leadership"—in simpler terms, the British Communist Party had difficulty in promoting strikes on domestic issues. A strike on the waterfronts of Great Britain might arouse the whole British trade union movement. Davis made it clear that the cost to Canadian seamen was irrelevant in the eyes of the British Communist Party.'

But other members of the executive were uneasy. They sent Davis and McManus to Ottawa to negotiate for a settlement of the seamen's dispute with Canadian shipowners. The discussions broke down.

'Davis was beside himself with elation,' reported McManus. "'I told you there had to be a strike," he said. "The strike is on!"' And he called the seamen out 'without even going through the formality of consulting the union executive.' It earned him praise from the Cominform's official journal: but it smashed the CSU.

Tactically Insane. 'In every one of the series of strikes from 1946 through to 1949 which culminated in the CSU's downfall,' admitted McManus, 'I obeyed the Communist Party's direct and specific orders, both in helping to call the strikes and in helping to run them. . . . I thought the last of these strikes, called in March 1949 at the secret request of the British Communist Party to create an artificial strike issue for the dock workers of London (FACT's italics), was tactically insane.'

It will be remembered that the small London Stevedores Union, led by its Communist General Secretary, Richard Barrett, was the nucleus of the 1949 action in Britain.

McManus remarks:

'In strict accuracy there is no such thing as a Communist-dominated union. Once it falls under Communist domination a union ceases to be a union. It becomes a branch of the Communist Party. Where the interests of the party and the interests of the union diverge it must be the party's interests that prevail.'

TOWN HALL

FACT GOES TO FINCHLEY



ALMA BIRK
It was VF day

Nothing to Celebrate. One of the very few British towns refusing to participate in the Festival of Britain this year will be Finchley, a borough of 71,000 presumably gloomy souls on the outskirts of London. The council, though its members are said to smile occasionally in private life, decided that Finchley has nothing to celebrate. Yet this is not a poor borough; only three Labour councillors sit on a corporation of 32.

In the General Election Finchley returned Captain J. F. E. Crowder, Eton and Oxford, formerly an underwriter at Lloyds, with 32,262 votes. Second with 19,683 votes was the Socialist, Dorothy Pickles, wife of

broadcaster William (not Wilfred) Pickles, senior lecturer in political science at the London School of Economics; Mrs. Pickles lectures in the same subject at Morley College. Bottom of the poll came Sir Andrew McFadyean, president of the Liberal Party, with 9,094.

Finchley is technically in Middlesex, but it is part of the Greater London sprawl. To travellers from London, the borough boundary is famous for a beautiful green bronze statue, *la Délivrance*, presented to Finchley by Lord Rothermere and unveiled by Lloyd George. It is known to motorists as The Naked Lady.

To those who do not live in Finchley, this is all that distinguishes the borough from a dozen other suburbs sprawling on the London perimeter. There is no Town Hall. Plans were drawn up before the war and work was about to commence when the councillors of the day successfully fought an election on the slogan, 'Save the rates by not building a town hall!' The staff of this wealthy corporation are accommodated in huts and houses all over the borough.

They got the Naked Lady for nothing. No wonder she has no clothes.

Here Men Do Sleep. There is no heavy industry in Finchley, but there are a number of light engineering shops, and scores of people are employed in the distributive trades and services. But Finchley is largely a dormitory area. Of the 71,000 population, thousands leave Finchley each morning by road and rail to work in London, returning to sleep at night.

Like so many suburbs, Finchley has spread in planless confusion and many of the quaint and attractive features of Old Finchley have disappeared. A great deal of speculative building took place between the wars and many of the houses and flats now wear tired expressions. So do the schools, most of which are old church schools. On the other hand, Finchley Garden Suburb, which sprang up rapidly in the years before the Second World War, with its own shopping centre and opulent houses, is now a flourishing and very well-to-do area.

In 1933 Finchley was granted a Charter and so became a Borough Council, with 18 councillors and 6 aldermen. Until recently the Council was composed entirely of Independents, but in 1949 it was captured completely by the Conservatives, by the painless process of the existing members adopting party labels.

In 1950, after persistent agitation by

the Finchley Labour Party, the borough was divided for the first time into 8 wards and the councillors increased to 24 and the aldermen to 8. Hitherto, the electorate had voted in three vast wards, the effect of which was to guarantee 100 per cent representation to any political group enjoying a majority in Finchley as a whole.

The Finchley Revolution. This enabled the Labour Party in May 1950 to win three seats on the borough council for the first time, amid tremendous excitement. The pioneer group is led by red-headed Alma Birk, mother of two and wife to a lawyer. The others are Don McGregor and Bill Weedon. The thousands of people in Finchley who had voted Labour election after election were thus represented for the first time. The council die-hards could hear the tumbrils rumbling. No, nothing to celebrate in Finchley.

Before the Labour members got on the council, many prominent citizens had said how much healthier it would be to end one-party government. But today they are—not celebrating. Instead, when the three pioneers arrived, the diehards expressed the hope that the Labour Councillors would not vote on party lines, whilst apparently determined to do so themselves. Two of the earliest acts of the Socialist triumvirate were to seek recognition of the Festival of Britain and to propose a Clean Food Campaign. Both propositions were unanimously opposed by the ruling party.

Three months later, after a historic battle, the Clean Food campaign was started. This was VF Day. But Finchley still refuses to celebrate the Festival of Britain.

Busy as Ants. To cover all the work of the council, and to follow what is going on in all the committees means a lot of work for Finchley's three pioneers. It also means a great deal of frustration when practical recommendations are mown down by the irresistible majority scythe. Yet from time to time perseverance is rewarded. The rebels have reduced the amount of business conducted in Secret Session, and are keeping everyone on their toes. The council is no longer one big family, only happy when it is miserable. Birk, McGregor and Weedon helped save the Road Safety Committee from extinction, and are now winning support for a Housing Exchange Register which will mean fuller and better use of available housing accommodation.

If it were not for this tiny but buoyant Opposition, no waste paper would be collected in Finchley in spite of the urgent need and in spite of the profit that local authorities can make out of its sale. 'It amazes me,' Alma Birk said to FACT, 'how unenterprising private enterprise can be.'

Building. In neighbouring Edmonton Aneurin Bevan recently opened Edmonton's 3,000th new postwar house, while Finchley by the end of 1950 had completed only 277, including rebuilt war-damaged houses and temporary houses. Yet in Finch-



BILL WEEDON DON MCGREGOR
Perseverance was rewarded

ley with a housing waiting list of 5,000 and a serious shortage of land, and with rents of private flats so high that few can afford them, the council recently increased the private building quota from 1 in 10 to 1 in 5. This in spite of the fact that because so many private licences were issued in Finchley prior to the introduction of the quota private building since the war had been roughly 1 in 3.

Plans are being drawn up for a town hall again, but it will be a long time before permission to build will be given and it will cost 5 or 6 times as much as prewar.

There is no real civic community spirit in Finchley, firstly because there is no civic centre, and secondly because the council refuses to interest itself in the cultural life and entertainment of the borough. The Terrible Trio urged that plans should be drawn up for some form of municipal entertainment, but the remaining councillors refused even to consider it, while nearby Edmonton has a splendid record and an enterprising programme of municipal activities.

Before the three were elected there were no advice centres in Finchley, but now there are regular 'surgeries' in the one Labour ward, where the three pioneers give advice to people from all over the borough. Councillors reporting to their constituents, too, was unheard of before 1950, but now Alma Birk, Don McGregor and Bill Weedon attend regular public meetings at which they talk of their work on the council and answer questions.

Finchley's motto is *Regnant qui Servient*—They Rule who Serve.



JUST A PART OF THE FINCHLEY REVOLUTION
Before, no one cared. Now once a week a Councillor is there to help.

STATISTICS

PRODUCTION	<i>June</i>	<i>July</i>	<i>Aug.</i>	<i>Sept.</i>	<i>Oct.</i>	<i>Nov.</i>
Interim Index of Industrial Production						
All Industries 1946 = 100 1938 = 104	143	134	123	143	150	150
Mining and Quarrying	112	106	94	116	119	122
Textiles and Clothing	138	127	120	148	—	—
Food, Drink, Tobacco	127	110	110	114	122	—
Engineering	157	149	129	155	164	—
Building and Contracting	139	141	130	141	143	140
Bricks, Cement, etc.	171	161	155	172	177	—
COAL (thousand tons)						
Total coal production weekly averages .. 1938 = 4,353	4,104	3,922	3,398	4,221	4,347	4,404
Total Coal Consumption (excluding exports): 1938 average = 3,463	3,428	3,334	3,136	3,583	3,849	4,229
Coal Exports and Bunker coal 1938 average = 890	378	371	265	257	293	294
Output per manshift (in tons, 1938 = 1.14)	1.18	1.18	1.13	1.20	1.22	1.22
Total Wage Earners (thousands) 1938 = 782	699	697	695	692	688	686
OVERSEAS TRADE (United Kingdom) (in £ millions)						
Total Exports (including re-exports)	182.0	188.5	197.0	180.5	211.5	222.1
Percentages of 1938 volume at comparable prices.		153**		161**	177	181
Total Imports (in £ millions)	238.6	225.2	215.2	193.9	223.0	234.9
<i>Imports are now running at about 85 per cent of the 1938 volume.</i>						
Exports to Canada and U.S.A.	17.3	21.8	23.2	20.5	25.2	28.2
Imports from Canada and U.S.A.	31.2	27.3	31.2	30.1	39.4	35.3
*Total Deficit (not including invisible trade) ..	56.6	36.7	18.0	13.4	11.5	12.8
Deficit with Canada and U.S.A.	13.9	5.5	8.0	9.6	14.2	7.1
†Terms of Trade						
Export Prices	119	121	121	121	123	125
Import Prices	132	134	135	137	143	147
EMPLOYMENT (Great Britain) see note						
Total Working Population (thousands) .. (June 1939 = 19,750) <i>Figures include unemployed and Forces.</i>	23,325	23,334	23,406	23,454	23,503	25,558
Armed Forces (thousands) June 1939 = 480 December 1947 = 1,119	690	690	701	708	726	745
Unemployed (thousands) July 1938 = 1,786.5	274	278	284	292	303	302
Working days lost through Industrial Disputes (monthly average 1918-39, excluding 1926, was 969,000)	95,000	249,000	52,000	152,000	67,000	67,000
WAGES AND PRICES						
Interim Index of Retail Prices (based on food, drink, tobacco, rent, clothing, household goods, etc. June 1947 = 100; no prewar figures.)	114	114	113	114	115	116
Weekly Wage Rates (June 1947 = 100; September 1939 = 60)	110	110	110	110	111	113
Average Weekly Earnings† (industrial, including overtime, etc.)						
Men over 21 (1938 = £3 9s. 0d.)	£6 8 1	£6 14 0	£6 17 11	£6 19 11	£7 2 8	£7 5 9
Women over 18 (1938 = £1 12s. 6d.)	£3 9 7	£3 12 11	£3 14 6	£3 17 2	£3 18 9	£4 0 6

Employment figures are at end of month. Total working population includes indoor domestic workers and persons above pensionable age, who prior to January 1949 were excluded. Following repeal of the Control of Engagement Order, vacancies need not be registered at Exchanges; reliable figures of unfilled vacancies are therefore no longer available.

* The invisible trade (military and other expenditure overseas, receipts from shipping, etc.) of the U.K. showed a deficit of £172 million in 1946 and of £189 million in 1947; a favourable balance of £103 million in 1948 and of £110 million in 1949 (Cmd. 7928).

† A new index was introduced in January based on 1947 = 100. At that time Export Prices were 259 per cent and Import Prices 297 per cent of the 1938 prices. Recently revised to correspond to pattern of trade in 1949, hence figures given in previous numbers of FACT.

** New index based on 1947 = 100. For approx. 1938 comparison multiply by 1.1. Figures are for each quarter where completed.

‡ Excluding agriculture, coalmining, shipping, docks, catering, entertainment, commerce, banking, distribution. See FACT November 1950.

THE ROAST BEEF OF OLD ENGLAND

meat production is going into canned meat, and its exports of this product to the United States have increased materially. . . . At the same time, Argentina has increased its sales to outlets other than the United Kingdom and has made adjustments in the price of cattle in order to encourage greater production of lighter-weight animals, which are more in demand by importers other than the United Kingdom. Other markets, however, do not appear to be in a position to replace the United Kingdom as an importer of Argentine meat in the near future.' (FAO Commodity Report on Meat and Livestock.)

Thus, Webb's position appears to be basically sound as well as courageous. But he will not have been helped by the knowledge, revealed to Peron by the debate and the newspaper outcry, that influential factions at home are doing their utmost to enflame the British people against the Government's stand. And to bedevil the situation still further, Peron's face now has to be saved as well as his rumpsteak.

May in March?

True enough of the local parties who are already facing up to the local government elections. No matter how important are your local issues some local government electors will be voting on purely national politics: next May's poll in town and country depends more than ever on how well your electorate is informed on the issues that face the country as a whole. Take Labour's own newspaper into partnership in your pre-election campaign. Spread its readership: in particular, every new member should become a regular reader of the

**DAILY
HERALD**

Labour's Own National
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HOUSING POSITION AT 31 DECEMBER, 1950

Housing Accommodation provided since end of war	Great Britain	England and Wales	Scotland
NEW PERMANENT HOUSES	821,518	730,621	90,897
TEMPORARY HOUSES	157,146	124,970	32,176
Total new houses	978,664	855,591	123,073
CONVERSION, REPAIR OF WAR DAMAGE, ETC.	333,996	321,010	12,986
Total new homes	1,312,660	1,176,601	136,059

DIGEST OF INDUSTRIAL STATISTICS SINCE THE WAR

	1946	1947	1948	1949	1950
DISPUTES					
Number of stoppages	2205	1721	1759	1426	1338
Total working days lost <i>thousands</i>	2158	2433	1944	1807	1388
Number of workers involved <i>thousands</i>	529	623	426	434	302
WORKING HOURS					
Workers whose hours increased <i>thousands</i>	--	--	--	3.5	108.5
Workers whose hours decreased <i>thousands</i>	2128	5223	616	1017	1.5
Net change in weekly hours <i>thousands</i>	-42	-5719	-18429	-1471	+105
WAGES					
Workers whose rates rose <i>thousands</i>	798	4973	7757	5205	7349
Total rise per week <i>thousands</i>	£2901	£1735	£1898	£1076	£2020

Compiled from the MINISTRY OF LABOUR GAZETTE. The number of days lost by industrial disputes in 1950 was a record low figure, the average between the wars being 11½ million, not counting the General Strike. For average earnings see FACT, November 1950, or summary on previous page.

HANDBOOK 1951

Facts and Figures for Socialists

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PUBLIC OWNERSHIP	PROFITS	COMMUNIST PARTY
FUEL AND POWER	FOOD AND NUTRITION	LOCAL GOVERNMENT
TRANSPORT	RATIONING	SCOTLAND
IRON AND STEEL	COST OF LIVING	WALES
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